

**MONTANA DEPARTMENT OF MILITARY AFFAIRS
INFORMATION SHEET**

HOUSE BILL NO. 155

A BILL TO REESTABLISH THE LIFE INSURANCE PREMIUM REIMBURSEMENT PROGRAM WHICH REIMBURSES LIFE INSURANCE PREMIUMS PAID BY ELIGIBLE MT NATIONAL GUARDSMEN, AND MEMBERS OF THE FEDERAL RESERVES, WHO ARE ON ACTIVE MILITARY DUTY IN A CONTINGENCY OPERATION.

REESTABLISHES INSURANCE PREMIUM REIMBURSEMENT PROGRAM

HB 155 will reestablish and fund the life insurance reimbursement program (the "Program") which was established by the 2005 Montana legislature and was codified beginning at Title 10, Chapter 1, of the Montana Code Annotated. The Program provided a reimbursement, to eligible members of the Montana National Guard, and federal reserves (who served on active duty in a contingency operation, both inside and outside of the United States), for insurance premiums paid (up to \$16.25 a month) for coverage under the federal Servicemembers' Group Life Insurance Program ("SGLI").

The intent of the Program was to provide a financial benefit to members of the Montana National Guard, and federal reserves, in recognition of their performance of extended periods of active duty in support of contingency operations. The Program also attempted to ensure that surviving dependents, of service members killed while on active duty, would be left with adequate financial resources.

SUNSET PROVISIONS WERE OVERBROAD; SOME ARE LEFT OUT:

In November of 2006, both the Program, and its applicable statutes, terminated pursuant to the sunset provisions established by the 2005 legislature. The sunset provisions provided, in part, that the entire Program would terminate once the federal government began paying any service members for SGLI premiums for at least \$250,000 of coverage in the event of a service member's death.

Pursuant to the National Defense Authorization Act of 2007, the federal government began to reimburse selected national guardsmen and reservists (i.e., those serving outside the United States on contingency orders in support of Operation Enduring Freedom or Operation Iraqi Freedom) for premiums paid for up to \$400,000 of SGLI coverage (at a basic premium rate of \$28.00 per month).

HB 155 will reinstate a life insurance reimbursement benefit to those qualifying national guardsmen and reservists who are not eligible for federally reimbursed insurance premiums, but were previously entitled to reimbursement under the Montana Program.

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